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SUBJECT: AUSTRIAN MEDIA HIGHLIGHTS: October 24, 2006

Coalition Talks Continue

11. Amid statements from the negotiation teams on the "positive atmosphere" during yesterday's meetings on domestic issues, talks today will address education issues. After the talks on domestic issues yesterday, both SPOe delegation head Norbert Darabos and Interior Minister Liese Prokop praised the "positive discussion climate" and agreed that further talks on the subject will be carried out by three subcommittees on integration, domestic security and the judiciary, semi-official daily Wiener Zeitung like all Austrian media. Today, the committees on education will meet to discuss hot topics such as the SPOe's proposals to introduce comprehensive schools in Austria, and to abolish university study fees.

Proell Backs Schuessel

12. In the OeVP's leadership debate, which has seen harsh criticism of Chancellor Wolfgang Schuessel by leading party representatives, Agriculture Minister Josef Proell has emphasized his support for the Chancellor: He stressed Schuessel should continue to lead the party and head the OeVP coalition negotiation team. Minister for Agriculture Josef Proell has harshly attacked the critics of Chancellor Wolfgang Schuessel, namely former EU Commissioner Franz Fischler and Economics Chamber President Christoph Leitl, ORF online news writes like all major Austrian media. Talking to centrist daily Die Presse, Proell dismissed Leitl's call for "new personable faces" in the OeVP, stressing that such a suggestion was "funny - given that the Economics Chamber President has been on board for so long himself." Schuessel should stay on, according to Proell, because those who "believe a party's success merely depends on re-shuffling representatives and introducing new faces is paving the way for the next defeat." The Minister also emphasized that he wants a "debate on issues, not on personalities," the Presse says.

No Clear Concept

13. The European Union does not have a clear joint strategy on addressing the issue of legal and illegal migration, an Austrian expert says. This is partly due to the fact that not Brussels, but the individual member states decide on their respective immigration policies. Mass-circulation daily Kurier publishes a critical analysis of the

EU's policy on legal and illegal migration, warning that Europe has no clear concept on how to address the issue. Austrian expert on migration Rainer Muenz said in an interview with the daily that there is "no clear EU policy regarding those people who try to come to the EU illegally, and who cannot simply be sent back to their countries of origin. It is "hardly conceivable that the EU Commission regulates immigration criteria, as the US and Canadian immigration authorities, for example. A joint European immigration office would make the EU even more unpopular with the member states' populations." However, a "European solution is not possible at this point, because Brussels' authority here only covers a number of limited areas. There is no common approach to asylum policy or the protection of the EU's borders. While admission to the EU and the granting of visas is regulated under the Schengen agreement, the migration of workers and admission regulations for students, on the other hand, are within the member states' national authority," the expert explains.

US Government Expert Discusses Mid-Term Elections

14. Ahead of the November 7 mid-term elections, American government analyst Thomas Neale gave an interview to an Austrian English language radio station as part of a PAS-Vienna facilitated lecture and press briefing tour. He discussed the Republican Party's chances of winning on November 7 and President Bush's popularity in general.

US government expert Thomas Neale told FM4 radio that when you "begin to see the Republican candidates not appear with the President, it seems to be a sign that he takes away as much or more of their campaign as he might give to it." Turning the tide against the Republicans, according to Neale is "first of all, the administration and the spokespeople have been saying for the past three years that success [in Iraq] was just around the corner. (...) Simply because of the constant, incessant coverage, people are realizing that the situation is not going as well as it might be." Dominating the election campaign are also "job losses and a sense among the people that they are still not secure," Neale adds. The Democrats, Neale elaborates, have "certainly focused on the war in Iraq and particularly on asking the American people whether as a result of this war they feel safer than they did before. The majority is now saying: Well, no we don't." With respect to the economy, the Democrats have a program. They say that if they "control both Houses of Congress, they will during the first 100 days move to enact certain economic elements of their program, such as raising the national minimum wage, canceling tax benefits for major energy companies and allowing the tax cuts for the most wealthy people to expire." The expert believes that chances for the Democrats are "probably better in the House, but they could also take the Senate. In either case we're talking of fairly small majorities."

Iraqi Officials Stole Millions

15. Quoting Iraqi sources, US television networks are reporting that officials in the former Iraqi interim government stole between \$750 and \$800 million meant for buying military equipment. High-ranking politicians are said to be involved in the corruption scandal. Semi-official daily Wiener Zeitung reports that high-ranking representatives in the Iraqi Defense Ministry have apparently been pocketing vast amounts of money designated for the modernization of the Iraqi army. They are suspected of having skimmed off up to \$800 million out of the \$1.2 billion budget set aside for weapons purchases. In addition to criticism that the Iraqi government has been downplaying the number of civilian casualties in the country, the corruption scandal in the Ministry over the alleged embezzlement of military funds has put Prime Minister Nuri al-Maliki further under pressure, the daily adds.

Change of Course in Iraq?

16. The top US commander in Iraq and the US Ambassador are to hold a joint news conference in Baghdad later today, as speculation grows of a change of strategy. A senior White House policy advisor has meanwhile said the Bush administration is monitoring the Iraqi government's progress on security, but that there is no deadline to

withdraw troops, says ORF radio early morning news Morgenjournal.

Hungary Protests Continue

[17](#). Dozens of people were injured in protests in Budapest last night, at the end of commemorations to mark the 50th anniversary of the 1956 anti-Soviet uprising. Tear gas and rubber bullets were used against demonstrators, who were calling for the resignation of Prime Minister Ferenc Gyurcsany over his admission he lied to the public to win the election, according to ORF radio early morning news Morgenjournal.
Kilner